

SECRETARY OF DEFENSE WILLIAM J. PERRY
PRESS INTERVIEW
MINSK, BELARUS
MARCH 22, 1994

Belarusian Voice: All these meetings that have been held before with the United States of America and the Republic of Belarus concern the fact that, from the (inaudible), and (inaudible) [negotiation] of the Departments of Defense of our countries does not (inaudible). Belarus, in its domestic policy, has embarked on the path of (inaudible), development (inaudible). Our foreign policy, based upon this approach, finds understanding among [the world leaders]. (Inaudible) With the [defined direction] for (inaudible) the best, to find optimum ways to combine (inaudible) of defense with a reorganization of [the transfer of] (inaudible).

Our mission (inaudible) based upon a vision (inaudible), will undoubtedly further strengthen the ties in our (inaudible). We are grateful, Mr. Secretary, to you for your understanding of problems of the Belarusian people, and willingness to (inaudible). Please accept thanks for the American people and the President of the United States of America, our best wishes for (inaudible).

Thank you very much.

(Pause, then applause)

Secretary Perry: I'd like to thank [General] (inaudible) for all of the support he's given us on this trip, and indeed, in the months before this trip in getting ready for this meeting of this Joint Conversion Commission. I'd also like to congratulate Belarus for being so far along on its defense conversion program.

Certainly, a major part of the reason for the progress in Belarus is the outstanding leadership provided by Mr. Chuchinski, and we thank him very much for this.

Besides the programs on defense conversion, we have moved ahead with projects for housing and retraining for demobilized officers. We have been discussing these projects now for more than six months. Today marks the day when we move from talking into action. Nowhere is that action more concrete than here in Belarus.

As a vivid demonstration of that point, are the three contracts, which I am proud to announce the awards of today. These three contracts involve joint business initiatives between Belarus defense firms and American companies. These contracts total \$10 million. We consider them pilots or demonstration programs, and they will point the way for many more and many [lesser] programs in the near future. These are the first contract awards for any defense conversion program made by the United States to any other nation.

I'd like to introduce these joint teams to you, because this is what our defense conversion commission is all about. It's action. It's forming business ventures.

As we go into the future with these programs, we have agreed with Mr. Chuchinski that the next level of funding, the \$25 million for 1994, will be \$10 million in defense conversion, \$10 million in housing for retired military officers, and \$5 million for training of retired military officers.

To introduce these joint teams to you, let me introduce John Roberto, who is the American officer in charge of these contracts.

Mr. Roberto: Thank you, Mr. Secretary. (Inaudible)

As Secretary Perry knows, (inaudible). I want to give our congratulations to our new vendors. I would also like to recognize the cooperation between both of our [Departments of Defense].

Now, let me introduce the vendors who will be (inaudible). Our first team of vendors for the funding are the [Prentice] Corporation, and (inaudible). (Inaudible), and representing (inaudible) is Mr. (inaudible).

(Applause)

American Voice: First of all I would like to thank the American government for making this defense conversion program possible, and secondly, for giving us the opportunity to work with (inaudible).

I've been asked to briefly explain what our program is, and what we've tried to do as we worked very hard both with the people in (inaudible), [a planning team]. We've tried to match up the departments of the U.S. Government while at the same time being very concerned of requirements [and difficulties]. (Inaudible), as many of you know, is a huge enterprise where about 90 percent of their semiconductor products went into military and defense.

Our plan is three-fold. The first part will be to provide equipment and technology to enable us to design new semiconductors for commercial and consumer applications. The other two are to improve their production capabilities and their (inaudible) into equipment and technology; and the third is to develop a (inaudible) market for their products, which will generate needed foreign exchange.

So, we're looking for a long term relationship with (inaudible), and again, we appreciate the opportunity to work with them.

Mr. Roberto: Next, from (inaudible) Corporation (inaudible) and from (inaudible).

(Applause)

American Voice: Thank you. I've been here about three and a half years. The main thing I have learned in this three and a half years is that the people of (inaudible), that any [resources] you have (inaudible), the U.S. Government and the Belarusian Government [for the opportunity] (inaudible) for us to develop them in (inaudible). Our plan is to start with training and manufacturing of (inaudible) and to (inaudible). After this comes a higher (inaudible) and (inaudible) which then we can market throughout the world. Thank you.

(Applause)

American Voice: (Inaudible)

Mr. Roberto: Next we hear from the Raytheon Corporation. And I'd also like to recognize (inaudible).

(Applause)

American Voice: The Raytheon Corporation has chosen (inaudible) over the long haul and the short haul. We've (inaudible) two short haul solutions, working on the long haul. Our projects (inaudible) on the academic, [industry] and government solution to defense conversion. (Inaudible) for manufacturing, (inaudible) and (inaudible) contractor relationships (inaudible) Belarusian and the United States governments [in] defense conversion. Raytheon has a team of (inaudible).

Thank you.

Belarusian Voice: (Inaudible) conversion (inaudible).

Secretary Perry: What you are seeing is the announcement of the beginning of three business partnerships. These are dedicated to developing and making and selling products, and creating economic wealth. The results should come just as soon as these new business ventures get started, which is (inaudible) a few months from now.

In addition to that, they will serve as a model for many other companies forming partnerships in the future. There should be a snowballing effect, leading to much larger activity in the future.

(Inaudible). We expect to have that (inaudible) by the end of the year. [I would be happy to have] (inaudible).

Belarusian Voice: (Inaudible) and a level of [technology] (inaudible).
(Inaudible) Nunn/Lugar (inaudible). [That means that] (inaudible).

I would like to thank you and your (inaudible), and hope that our continued cooperation (inaudible).

(Applause)

(END)